

STATES OF JERSEY
Health, Social Security and Housing Scrutiny
Panel
Housing Transformation Programme

THURSDAY, 5th JULY 2012

Panel:

Deputy K.L. Moore of St. Peter (Chairman)

Deputy J.G. Reed of St. Ouen

Senator A. Breckon

Deputy J.M. Le Bailly of St. Mary

Witness:

Chief Executive Officer, Citizens Advice Bureau

Also present:

Ms. F. Scott (Scrutiny Officer)

[9:29]

Deputy K.L. Moore of St. Peter (Chairman):

Good of you to come in this morning. Thank you. It is very useful to have your submissions as well. It certainly helps focus the mind. We do not seem to have any members of the public or media here so we can make a start and not go through the remarks I usually have to make. But welcome and there are some remarks for you, I think, underneath that; if you want to check that you are familiar with that.

Chief Executive Officer, Citizens Advice Bureau:

Yes, thank you.

The Deputy of St. Peter:

Just for the record we will all formally introduce ourselves. The hearing is being transcribed for obvious purposes. I am Kristina Moore, I am the Chairman of the panel.

Deputy J.G. Reed of St. Ouen:

Deputy James Reed, panel member.

Deputy J.M. Le Bailly of St. Mary.

Deputy John Le Bailly, panel member.

Senator A. Breckon:

Senator Alan Breckon, panel member.

Ms. F. Scott (Scrutiny Officer):

Fiona Scott, Scrutiny Officer.

Chief Executive Officer, Citizens Advice Bureau:

Malcolm Ferey, Chief Executive of the Jersey Citizens Advice Bureau.

The Deputy of St. Peter:

Thank you and thanks very much for joining us this morning. We thought it was very useful to hear your views because, I imagine, a number of people come to you at Citizens Advice to talk about social housing and issues they have.

Chief Executive Officer, Citizens Advice Bureau:

They do.

The Deputy of St. Peter:

What sort of issues do people tend to speak to you about?

Chief Executive Officer, Citizens Advice Bureau:

Okay, housing in general is the second single biggest issue that we dealt with consistently, in fact, over the last number of years. But in terms of actual numbers, in 2011 we saw 1,684 clients for housing related issues. Now that covers both the qualified and unqualified sectors but the issues that we see would range from people perhaps having problems with their landlords, all the way through to deposits not being returned, all the way through to people getting into arrears with their rents and those type of problems. It is across the whole spectrum but it is a significant piece of our work.

Senator A. Breckon:

From those figures, is that up and down, is there a trend anywhere? Are you picking up more or less?

Chief Executive Officer, Citizens Advice Bureau:

The overall client contacts for 2011 were 1,000 up on 2010, so more people are coming to see us. But housing has consistently been the second biggest issue that we deal with.

Senator A. Breckon:

The actual numbers, are they going up in proportion with the client contact?

Chief Executive Officer, Citizens Advice Bureau:

The numbers are fairly steady in relation to year on year, the final numbers are not that vastly different.

The Deputy of St. Peter:

Why do you think that might be, that so many more people have come to you to talk about housing issues?

Chief Executive Officer, Citizens Advice Bureau:

I think housing in general is one of the biggest challenges that the Island faces. It is obviously one of the biggest challenges that our clients face.

The Deputy of St. Peter:

Is that because of a lack of supply or quality issues?

Chief Executive Officer, Citizens Advice Bureau:

Yes, I think is a combination of a lack of supply, a problem with quality, sometimes it is people over-occupying properties; that is quite a common thing that we see. People crowded into properties and desperately trying to find better accommodation than they are currently residing in.

The Deputy of St. Mary:

The fact that you have so many people come to you with complaints basically, deposits, et cetera, does that mean to say we should have better regulation in the private sector?

Chief Executive Officer, Citizens Advice Bureau:

I think without a doubt that demonstrates to me there is a desperate need for more regulation of the private sector.

The Deputy of St. Mary:

Some sort of standardisation in the way of applications or agreements?

Chief Executive Officer, Citizens Advice Bureau:

Yes. Of course, the residential tenancy legislation is in train and the next part of that law is to have standard tenancy agreements and notice periods and perhaps conditional reports and things like that. So that in itself would provide some standardisation across the sector really.

The Deputy of St. Peter:

Do you think the Housing Transformation Programme goes far enough in its attempt?

Chief Executive Officer, Citizens Advice Bureau:

I think there is a desperate need for some sort of transformation. I think it is certainly going to put us into a better place than we are at the moment and I do not think it is always possible to have a gold-plated service when you are coming from something that is in desperate need of change.

The Deputy of St. Ouen:

Why do you think it will take us to a better place than we are now?

Chief Executive Officer, Citizens Advice Bureau:

I just think having a proper long-term strategy, having a Strategic Housing Unit that oversees the whole thing and hopefully the right connections are put in place so that that Unit has proper data sharing agreements with other States departments and the

whole thing becomes more joined up and more effective because before I did this job I worked within the States. I worked at the Department of Social Security so I can see where the gaps have been in the past because obviously we did liaise quite a lot with the Housing Department. I could see that there was a desperate need to get a more joined up approach. In all fairness that has happened with the advent of income support. Because more of that benefit is under one roof that has happened to some degree but I think there is more to be done.

The Deputy of St. Ouen:

If you are saying that there have been difficulties with the co-ordination of action between departments to deliver ... because we are talking about housing today. What confidence do you have that the creation of this Strategic Housing Unit will deliver on the promises or actions identified in the White Paper?

Chief Executive Officer, Citizens Advice Bureau:

I think the fact that you have one unit that oversees what is happening and can make those connections, that in itself is a step in the right direction really. To have a sort of unified strategy instead of strands maybe that need to be pulled together.

The Deputy of St. Peter:

Have you heard from many people who have entered accommodation through using the Gateway to date?

Chief Executive Officer, Citizens Advice Bureau:

I know that obviously the Gateway is still fairly new and we were aware that it was up and running. We do have quite good connections with Housing. One of their officers came to us to explain part of these changes fairly recently and we were heartened by the fact that there is such a long-term strategy being put in place and quite ambitious as well. But I think from what we can see the single Gateway at the moment is a first step towards those improvements, so yes.

The Deputy of St. Peter:

You mentioned just a moment ago that you felt there was more to be done. What more would you like to see being done?

Chief Executive Officer, Citizens Advice Bureau:

Ultimately I think the distinction between the qualified and the unqualified sector is going to start to ... delineation will become a bit more blurred, I think, in the future. So that at least people in the unqualified sector will have access to better accommodation, better standards of accommodation and most importantly some sort of security of tenure. That is not to say that everyone in the unqualified sector wants that security of tenure. Some people want ephemeral type of accommodation because they are only here for such a short period of time they do not want to get tied into a lease. But very often people come to Jersey with a family, they want to make it their home and they want to have some sort of security and stability to go forward.

The Deputy of St. Ouen:

Out of interest, you talk about 1,684 clients and you say housing is the second biggest issue. If you were asked to identify where generally the concerns lie, what percentage would be focused on social housing and what percentage would be focused on the private rental sector?

Chief Executive Officer, Citizens Advice Bureau:

It is fair to say the bigger chunk would be in the private rental sector because, in general, tenants in social housing do have access to quite good quality accommodation. We are not trying to paint a blacker picture than is reality. In general the system does work quite well for the majority of those people so most of the problems that we do see tend to be in the unqualified sector, which is the more unregulated market at the moment.

The Deputy of St. Ouen:

If that is the case, what can you point to in the White Paper that will address the concerns that you are well aware of within the private sector?

Chief Executive Officer, Citizens Advice Bureau:

Like I say, some of the references in the White Paper, where we are at the moment is not ... people in the unqualified sector have access to that type of better accommodation. Hopefully going forward that will happen. The White Paper

generally in some places it is quite an overarching type of approach, is it not? It is quite a strategic plan so the devil in the detail really I suppose still needs to be thrashed out a bit harder.

The Deputy of St. Ouen:

If you were asked to prioritise or identify areas that needed immediate attention from your perspective as Citizens Advice and the views that your clients are expressing to you, what would they be?

Chief Executive Officer, Citizens Advice Bureau:

I think condition reports would be a great step forward. I think deposit protection scheme would be another great step forward because again going to the unqualified sector I know that the vast majority of our clients, to put it bluntly, some landlords see a deposit as their money, not the tenant's money or whoever is residing in the property. Another issue that we have is where people are in the unqualified sector and they sign up to an agreement, which is not binding in law, they can sometimes still be held to that agreement because although it is maybe not a legal document, it may be enforceable through the civil courts. When the tenant wants to leave and they want their deposit back, they are not bound by law to give any period of notice because they have signed an agreement and the landlord holds them to that agreement, or tries to hold them to that agreement.

The Deputy of St. Ouen:

Just following up on that. Most of the issues you have mentioned have been known about for some time. Why do you think it is that they have not been dealt with before?

Chief Executive Officer, Citizens Advice Bureau:

If you pin that back to just the fair rents even, there was changes some years back where States rents were increased but then it was kind of left alone, was it not? There has been no consistent forward-looking plan. I think things have been done in a reactive way and it has been maybe a quick fix and then left alone why the problem reoccurs. So at least the strategy going forward is to not only put it right but to keep it right for the future and build on the changes that are being made.

The Deputy of St. Peter:

Have any of your clients spoken to you about the White Paper and their views?

Chief Executive Officer, Citizens Advice Bureau:

No. We see clients from the whole spectrum of society but it is fair to say that not all of our clients are that aware maybe even of the existence of such a document and we do try to communicate that to them but in all fairness most tend to just see the end product, which is how much rent do they pay and what do they get for that amount of money.

Senator A. Breckon:

You mentioned about a former life in Social Security and you said you have a working relationship with the Housing Department. My question is related to that. If it becomes an agency how would you see tenant representation and you getting access to what is a private quango or whatever you want to call it?

Chief Executive Officer, Citizens Advice Bureau:

If there is a need to transfer data between any States department and another body, whether that be within or outside of the States, as long as robust data sharing agreements are set up, and there is a reason for that process and it is done with the consent of the individual, then all those connections that already exist there is no reason why they cannot continue.

Senator A. Breckon:

But regarding solving problems at the moment because we have a States housing sector you or I or other people can make a representation to an officer of the department or to the Minister or you can ask questions in the States. There are all sorts of avenues to sorting problems. If we take that away and give it to an agency would that be an issue for you?

Chief Executive Officer, Citizens Advice Bureau:

There would still be an appeal process in place so although it may not be as a direct route in as there is at the moment there would still be an appeal process in place. If

you are asking do I think that taking the ownership, if you like, outside of the States or making it an autonomous agency is a good idea or not, in general, I think it is a good idea.

Senator A. Breckon:

The ownership would stay with the States but it is the accountability I am coming to really is would an agency still be accountable as officers are now, and as the Minister is now.

Chief Executive Officer, Citizens Advice Bureau:

I think it would be as accountable as anyone working for any organisation is. I do not see that there would be any less accountability in place as long as it is clearly laid out what the appeal procedures are and if a member of staff has not acted appropriately, all those things are down to the way that the department or the agency is managed internally.

Senator A. Breckon:

Are you aware there was a Committee of Inquiry into allocation by housing trusts because of their lack of accountability?

Chief Executive Officer, Citizens Advice Bureau:

No, I was not aware of that.

Senator A. Breckon:

Your predecessor I think actually sat on the panel. Because there was an issue because when they were an agency they more or less said to the States: "When the properties are new, yes, you can allocate; when they are not, it is none of your business." So if we have an agency are you comfortable that that will not happen?

Chief Executive Officer, Citizens Advice Bureau:

I am comfortable that it is down to the way that it is controlled and managed. I do not see a great deal of difference between an agency that is, in effect, autonomous and one which is more directly linked to the States.

Senator A. Breckon:

A specific point, would C.A.B. welcome a seat on the board with tenants and others?

Chief Executive Officer, Citizens Advice Bureau:

Yes, absolutely.

[9:45]

The Deputy of St. Peter:

You mentioned in your submissions that you had reservations about the level of protection parties would have once the Strategic Housing Unit was set up. Would you like to elaborate a little about those reservations, what you think might happen?

Chief Executive Officer, Citizens Advice Bureau:

I think at the moment what we are keen to make sure is that nothing is lost in the transfer. That is the main point. So that if something has its own autonomy that the quality of services are not lost to the clients or the tenants and that there is still a robust appeals process in place. That is the only kind of reservation that we had.

The Deputy of St. Ouen:

What is your experience of the way the housing trust take care to look after their tenants? Are there any issues?

Chief Executive Officer, Citizens Advice Bureau:

It varies. The way it is at the moment, it does vary from different trusts. Some trusts, it is fair to say, are less robust with their clients, with their tenants, than others. Some trusts take a very hard line, very down the line: "Here is the procedure and we are not going to deviate from that procedure." That is the way they choose to run it. So again what I do see with the White Paper is there would be more uniformity hopefully in the way that clients are dealt with or tenants were dealt with because what we see at the moment is there is not that uniformity.

The Deputy of St. Ouen:

Bearing in mind the difference in the amount of clients that the States housing and the trusts provide for would you say that there is a greater degree of concern being shown from housing trust tenants against States housing tenants?

Chief Executive Officer, Citizens Advice Bureau:

Yes, I would agree with that. I would say there is more concern among housing trust tenants rather than States tenants.

The Deputy of St. Ouen:

Specifically, I mean you can provide this later, it would be useful to understand what the general issues are that those clients, tenants, are raising.

Chief Executive Officer, Citizens Advice Bureau:

Sometimes it is as simple as the tenant has supposedly been warned about either their behaviour or about something as simple as leaving bicycles or scooters in corridors. Sometimes it is very low level things but nevertheless important to the client at the time. It can be as simple as that so they are just not happy with the way it is being run. Some clients feel like, an example was we had an email where someone said: "I feel like I am living in the Big Brother house" because they really did feel that their lives were being controlled by other people.

Senator A. Breckon:

Is it true to say that some trusts are aggressive on rental arrears?

Chief Executive Officer, Citizens Advice Bureau:

Yes.

Senator A. Breckon:

Very aggressive?

Chief Executive Officer, Citizens Advice Bureau:

Very, yes.

Senator A. Breckon:

And taking people to Petty Debts in sums less than £100.

Chief Executive Officer, Citizens Advice Bureau:

Yes, very quickly. That is the procedure they have got in place and they do not tend to deviate from that procedure.

Senator A. Breckon:

I know, I have got experience of that.

The Deputy of St. Peter:

Do you feel that the Housing Unit would have the teeth to deal with matters like that?

Chief Executive Officer, Citizens Advice Bureau:

Obviously that is important that that Housing Unit does have the teeth to make sure that any behaviour which does not appear to be fair or transparent is dealt with, yes, definitely.

The Deputy of St. Ouen:

It is quite disappointing to believe, knowing that the housing trusts have been established for some time, that there are not appropriate arrangements in place with the current department and the trusts. Are you aware of any matters that should have been addressed or required dealing with in that relationship between the States and the housing trust?

Chief Executive Officer, Citizens Advice Bureau:

Like I say, I do think that some trusts just tend to do their own thing. Work the way they have always worked and I do not think, from what I can see at the moment nothing has changed as far as that goes. Like I say, some of it is not big life-changing things, but some of it is. Some of it can be Petty Debts court action, which can have an impact on clients' lives obviously.

The Deputy of St. Ouen:

With the introduction of the Affordable Housing Gateway, would you expect to see stronger arrangements and an agreement being put in place between the States and the housing trusts?

Chief Executive Officer, Citizens Advice Bureau:

Yes, service level agreements and ways of working that were clearly mapped out. Definitely.

The Deputy of St. Peter:

Shall we move on to the rent? What are your feelings regarding this proposal to move to 90 per cent of fair rent?

Chief Executive Officer, Citizens Advice Bureau:

Obviously this is going to be a contentious one. Again it goes back to when rents were reviewed a number of years ago and then it seems it has been shelved and left to fester and the problem re-emerged. So as a general principle I can see that there are some tenants who are probably on very good incomes and should be paying more rent than they are and are getting this hidden subsidy that is spoken about in the White Paper. I just think in general that sounds fair and if people should be paying the market value then so be it, but obviously that message needs to be clearly communicated because all of the media is going to pick up on and all that the tenants are going to pick up on is: "My rent is going up." So the way that is managed and handled is going to be very important. I know of course the most vulnerable in our society, income support claimants are not going to be affected at all. People who do have specific cases have an appeal process where it can be phased in and, in general, people will be given fair warning. But even so that message will need to be consistently pushed and made sure that people are aware of what the processes are. They really are not going to be able to afford the rising rents.

The Deputy of St. Peter:

From your knowledge, one of the housing trusts have mentioned to us in their submission that their rents are significantly lower and they are not keen to raise them to the 90 per cent level. Do you see much disparity among rent levels?

Chief Executive Officer, Citizens Advice Bureau:

Some of it of course is down to market forces but, yes, certainly between trusts there are some disparity between the amounts of rents. But they would not be able to build their properties unless people were prepared to pay those rents. I think naturally there will be some people who think: "I might as well go out into the private sector if I am going to pay that level of rent. I may as well." But I suppose what they do have is security of tenure of course and a lot less problems with maintenance and things like that. If they are in that type of property they know there is a good maintenance structure behind it whereas in the private sector they may be paying the same amount of money and not get the same quality of service if they need something doing to the property.

Senator A. Breckon:

Are you aware of financial assistance to people who are living in the private sector that they are getting perhaps a rent component but they are also paying a significant part of their disposable income towards the rent because they do not match?

Chief Executive Officer, Citizens Advice Bureau:

Yes.

Senator A. Breckon:

The housing trusts, one of them said to us in evidence, is their tenants that they know of get a housing component but then they have to use their own money, as it were ...

Chief Executive Officer, Citizens Advice Bureau:

To top it up, yes.

Senator A. Breckon:

In your experience what is a fair percentage then from C.A.B. (Citizens Advice Bureau).

Chief Executive Officer, Citizens Advice Bureau:

Like I say, I think the other side of it is some people are getting subsidised so that gap needs to be closed up, there is no doubt about that, as long as it does not cause

additional hardship to people who ... we all know that people are protected and there are a big chunk of people who can afford it but there is a big chunk of people who sit in the middle that there will be some hardship caused by it. As long as those people are catered for and that the rent increases are phased in over a fair period of time with fair warning and they can budget for it, and they can make those decisions as to whether they continue where they are or decide that they might find somewhere cheaper somewhere else if they wanted to pay the same level of rent.

The Deputy of St. Peter:

Do you think it would be pricing some of the housing associations out of the market?

Chief Executive Officer, Citizens Advice Bureau:

That is possibly a danger but it will find its own level. If people really can find good quality accommodation elsewhere they will seek it. They will try and find that accommodation.

The Deputy of St. Peter:

When we speak to the Minister for Social Security earlier in the week he said that he understood by raising the rent levels it would mean that more people would need to claim for income support because they would get stuck in that little band where the rent became unaffordable to them. What do you think about that? Would you agree with this?

Chief Executive Officer, Citizens Advice Bureau:

Yes, I would say that there may be a corresponding knock-on effect to somewhere else and obviously if there are more people that fall into benefit or have to increase the amount of benefit they are getting paid to pay for it then there will be an adjustment needed to be made there.

The Deputy of St. Peter:

Given your background in Social Security, you must understand the movement of circulation of money in the Housing Department, the Treasury who pays ...

Chief Executive Officer, Citizens Advice Bureau:

Yes, just going from one pocket to another.

The Deputy of St. Peter:

Do you have a view on that?

Chief Executive Officer, Citizens Advice Bureau:

That is not going to be all of the tenants, is it? It is going to be a portion of the tenants and it may be a by-product of what is trying to be achieved here. So if money is just being moved from one pot to another the net effect may not be that significant, just for that group of people. However, of course, for the rest of the people who will not have that increase in income support there is more income produced by that change.

The Deputy of St. Peter:

Is this the right group of people to target? Perhaps there is another group of people, I do not know, people who have an ability to choose to buy a certain product who pay a little extra impôt duty on that particular product. Is it the same sort of thing?

Chief Executive Officer, Citizens Advice Bureau:

There is always other ways of skinning a cat, I guess, but this is housing that we are talking about at the moment.

The Deputy of St. Ouen:

What do you understand by the term used in the White Paper which is “hidden subsidy”?

Chief Executive Officer, Citizens Advice Bureau:

Obviously that is where, like I say, housing rents were increased, a hidden subsidy is the fact that people are still paying, in effect, below market rate and that varies in percentages as to what it is. The visible subsidy of course is the housing component in income support. A hidden subsidy is the fact that people are paying for low market value in some cases for the properties that they are residing in.

Senator A. Breckon:

But is it not, converse to that, that we are paying millions and millions of pounds in subsidy to a vast number of people in the population that cannot afford the place they are living in, so should it not go down instead of up to reduce the subsidy? Because the real money is going out of the system, which is to the private sector, some of which is being paid to the U.K.

Chief Executive Officer, Citizens Advice Bureau:

Yes, there is about 8,500 income support claimants overall, so that is one chunk of people. The majority of those will be housing component. Outside of that I still think there would be more people who are receiving the hidden subsidy than to the contrary.

Senator A. Breckon:

There again, you see, if we are talking about linking social rents to the market, are not people in social housing in the main because they cannot afford the market? Does the evidence not show that?

Chief Executive Officer, Citizens Advice Bureau:

I think some families perhaps they have grown up in social housing, they expect to continue in social housing and maybe they do not look further afield because, like I said, what they do have is security of tenure and good maintenance service behind them and maybe that is why they are happy to stay there. Perhaps if the rents do increase they will still see that as a benefit rather than move out into the private sector.

Senator A. Breckon:

Is it not also true, rather than being happy to stay there is they have nowhere to go? If they are 60, they have brought up 3 or 4 kids and obviously there is a cost for that. They cannot have a deposit, they will not get a mortgage, they will not be able to pay it. If they are getting this windfall where are they going to go?

Chief Executive Officer, Citizens Advice Bureau:

The fact is that the rises, if it is going to cause significant hardship then there is an appeal process whereby they would be able to make sure that their rent is kept at a fair

level, and as long as that appeal process is fairly administered and well communicated then the people that fall in that gap will be protected by that.

Senator A. Breckon:

Are you aware that people that are paying maximum rents are paying something around £5,000 a year of their rental goes towards private sector rent rebate? It goes out with the system, their money is subsidising the other side.

Chief Executive Officer, Citizens Advice Bureau:

Some is, yes.

Senator A. Breckon:

So if you take them away are you not going to put up the welfare band?

Chief Executive Officer, Citizens Advice Bureau:

Like I say, there is not a huge number of people. There are 8,500 income support claimants, so there are a whole lot more States tenants who are not receiving the housing component. There is a far bigger chunk of money than the visible subsidy through income support.

Senator A. Breckon:

I have not got the figures in front of me but the vast majority of States tenants are pensioners, so it is marginal.

[10:00]

There is a thing here about hidden subsidy or windfall and there are people in circumstances that cannot go anywhere and they are being seen as the silent cuckoo in the next.

Chief Executive Officer, Citizens Advice Bureau:

As the Minister for Social Security alluded to, perhaps more people will fall into income support so those people will still be protected.

Senator A. Breckon:

Then we have this money around, in your opinion how much better housing and how many more will we have by all this policy stuff?

Chief Executive Officer, Citizens Advice Bureau:

The thrust of this is to provide affordable housing and good quality housing. That is the thrust of it, is it not really, and to keep those standards up to date. Going forward and to make sure that where we fall into in regard to the rents does not happen again.

Senator A. Breckon:

But some of that has happened because of the state of the properties.

Chief Executive Officer, Citizens Advice Bureau:

Yes, and that is why one has to correlate with the other. If rents are going to be increased then of course the properties do need to be kept to a decent standard, and we do see it as happening with all States stock, is being upgraded and insulated to a higher standard and all those type of things.

Senator A. Breckon:

What is affordable, in your opinion?

Chief Executive Officer, Citizens Advice Bureau:

I think it has to be a fair market value. It has to be a fair rent as far as market value goes. There should be very little distinction between renting in the private sector and renting from, at the moment, the States or the body that is set up. There should be very little difference in the amount of rent you pay. So it will naturally find its own level because the argument would be if States rents go up then all the private sector rents would go up as well, but people are not necessarily going to move out of the States just because the rent goes up.

The Deputy of St. Mary:

The problem we have with the rental system at the moment, because it is 2-tier, qualified and unqualified, it is driven by the unqualified and that is artificially inflated.

Chief Executive Officer, Citizens Advice Bureau:

This is why earlier I said the demarcation between the qualified and the unqualified will become blurred I think in the future and certainly people who are in the unqualified sector will have access back to quality accommodation.

The Deputy of St. Mary:

There is a vast difference in rental between qualified and unqualified?

Chief Executive Officer, Citizens Advice Bureau:

Yes.

The Deputy of St. Mary:

So the 90 per cent, is that based on an average or would that be based on the unqualified?

Chief Executive Officer, Citizens Advice Bureau:

I could not answer that to be honest.

The Deputy of St. Mary:

Because that would make a total difference to the rental charged on the social side of things if it was based on qualified or unqualified. I have a feeling that that is based on the overall higher side of the rental because it is artificially inflated at the moment and the only way we can get it down is to change that band of unqualified and qualified.

The Deputy of St. Ouen:

With regards to the removal of the hidden subsidy, in the White Paper it talks about the increasing rents to 90 per cent will generate approximately £11.25 million, a significant sum. However they do say that in order to protect those that they know are presently on income support the income support budget will have to be increased by £7.5 million. That leaves a net impact on States tenants of £3.75 million. They go on then to suggest that they will extract that money by increasing rents over a 10-year period by an equivalent of £5 per week roughly every year. How acceptable do you

believe that is given that most people that are housed within States housing are on the lower income level?

Chief Executive Officer, Citizens Advice Bureau:

I suppose we need to put it into context of the way, and we cannot blame the tenants for the way it has been managed in the past, but there is obviously a big gap between what most States tenants are paying and perhaps what they should be paying if it was left down to them not receiving this hidden subsidy. The only way that that gap is going to be bridged is to increase the rents. I guess it is just because ... as long as it does not cause additional hardship for the people who really cannot afford it because, like I say, there are a sizeable chunk of people who definitely could afford or should be paying a higher proportion of low income into rent.

The Deputy of St. Ouen:

So you believe that it is and will be acceptable for States tenants to be required to pay £5 per week for a period of 10 years over and above inflation and other increases?

Chief Executive Officer, Citizens Advice Bureau:

The reasons need to be clearly communicated, the appeal process needs to be clearly communicated and the whole way that it is going to be implemented and the reasons need to be sold to make it work.

The Deputy of St. Ouen:

What criteria do you think should be used to determine who is housed in social housing? Should it simply be money?

Chief Executive Officer, Citizens Advice Bureau:

Obviously there is a responsibility to house vulnerable people for whatever that vulnerability is. Whether it is a disability or whether it is income generated or whatever it is. So that has to still remain the first reason. But equally, like I say, a lot of tenants do like the security of living in States accommodation. They like the security of tenure. They are confident that they will be living in that property, whatever size it is, as long as their children are at home and when their children move out they are confident that they will be rehoused. So that in itself you would not get

that outside of the States run scheme. I think most tenants do appreciate that and they do see that as being a benefit.

The Deputy of St. Ouen:

That is quite disappointing in some respects because we know the Islanders always relied on 3 providers for rental housing: the States, housing trusts, private sector. We are equally aware that although obviously the States does have a responsibility to provide social housing, it would be ridiculous to believe that we provide all rental housing and nobody else does. The reality is you have to have that relationship between the 3.

Chief Executive Officer, Citizens Advice Bureau:

Yes.

The Deputy of St. Ouen:

So bearing that in mind, how do we deal with, quite rightly, the matters that you raise that at the moment we have people, when they are making choices, are seeking to access social housing perhaps not necessarily because they are unable to afford the alternative but because it offers a better choice.

Chief Executive Officer, Citizens Advice Bureau:

It does offer a better choice at the moment, yes.

The Deputy of St. Ouen:

How would you propose that that issue is addressed because we cannot continue providing significant amounts at home just to address a matter of choice?

Chief Executive Officer, Citizens Advice Bureau:

That would be difficult because you do not want to make the system less stable, that would not be good for anybody. But I suppose there will be some tenants who will just think: "I am going to pay this amount for a property on an estate. I could rent a house on its own in the country." There will be some, I guess, that do that. But, yes, it is going to be hard to prise people away from the way of living that they have been accustomed to all their lives.

The Deputy of St. Ouen:

Sorry, maybe I will rephrase the question. Are there practical ways and matters that we could deal with to address, if you like, the imbalance, perhaps, that is affecting people's choices? In other words, can we encourage that security to be reflected in the housing trust and the private sector?

Chief Executive Officer, Citizens Advice Bureau:

That might be a better way of dealing with it is to give people the security that they have at the moment in all 3 sectors so it is more of a level playing field.

The Deputy of St. Mary:

If we had a low-based rate for all the properties that would take care of the people that can just about afford the rent to start with, and you applied a means test to everybody, so that they paid a proportional difference, that would encourage the people that can afford it to get out of the system.

Chief Executive Officer, Citizens Advice Bureau:

Yes.

The Deputy of St. Mary:

So maybe we should think about changing the way we apply the rental to properties.

Chief Executive Officer, Citizens Advice Bureau:

Obviously means testing is where it starts, is it not? That is an important component.

The Deputy of St. Mary:

Because that can vary greatly with the amount of people occupying the property in the first place as well, in the case of families and youngsters out at work contributing.

The Deputy of St. Peter:

The Minister for Housing seems to feel that lifelong tenancies should be assured, whereas we have not had the same message from other Ministers. It appears that you might fall into this side of the argument where you would not agree with him either.

Naturally the consequences of offering lifelong tenancies to all in social housing will need to build a great deal more.

Chief Executive Officer, Citizens Advice Bureau:

And also that has led us to where we are now, is to have that lifelong tenancy, is it not? That is why the problem has continued to grow.

The Deputy of St. Peter:

Other than Deputy Le Bailly's suggestion, can you think of any other methods that would encourage people into the private market, and is there enough stock in the private sector at the moment? You mentioned earlier the great number of unqualified people who come to you with issues about housing and overpopulation of the housing that they are living in. It seems that perhaps there is not enough stock in the private sector.

Chief Executive Officer, Citizens Advice Bureau:

Put simply, if you look at the Island there are large families crowded into small flats while in the country there is one person living in a 4-bedroom house. How do you address that one? It is very difficult but that is the inequity, is it not?

The Deputy of St. Ouen:

What implications do you believe the fair rent level policy and the suggestions being made the Minister for Social Security to adjust support provided to private sector tenants? What impact do you think that is going to have on the clients that you previously told us are the ones that have the greatest concerns now?

Chief Executive Officer, Citizens Advice Bureau:

It is obviously going to impact upon them. There is no doubt about that. Any increase in people's rent at a time when so many people are feeling the pinch all round is going to be a difficult challenge to get across. All we can say is that it is applied fairly and consistently and that it is properly means tested so that people who can afford it do. That is a challenge in itself. It is a very difficult one for me to answer in one sentence really.

The Deputy of St. Ouen:

Have you had any discussions with the Minister for Social Security regarding any of the proposals he may bring forward to support the options contained in the White Paper?

Chief Executive Officer, Citizens Advice Bureau:

Not directly on this, no.

The Deputy of St. Ouen:

Presumably you would need to be convinced of any proposal before you would sign up to it?

Chief Executive Officer, Citizens Advice Bureau:

Yes.

Senator A. Breckon:

Do you get people coming to you who you would consider in hardship, who have qualifications, who are excluded from social housing?

Chief Executive Officer, Citizens Advice Bureau:

Who have qualifications and are excluded?

Senator A. Breckon:

Yes, and excluded from social housing. They might go on a trusts housing list but ...

Chief Executive Officer, Citizens Advice Bureau:

People who do not necessarily have dependents, and that is good to see that ...

Senator A. Breckon:

And the pension ...

Chief Executive Officer, Citizens Advice Bureau:

Yes, and pensioners. That was good to see in the White Paper those kinds of things were going to be extended. It has always been a difficult situation where there is a

pressing need to house families so people who do not fall into that category seem to have the rougher ride of it. So yes we do see some of those.

Senator A. Breckon:

How many people do you get knocking on your door with security of tenure an issue? I know there have been evictions and I know you know the process through Petty Debts and things. How much is that an issue because something you have touched on there is that the States and, to a greater extent, the trusts offer some security of tenure. Perhaps that is a situation of the market where a 2 or 3-year lease does not, so the owner might decide to sell, for example, so I mean I am sure you deal with these and how much would you say things like ... I mean the Rent Control Tribunal has fallen by the wayside, security of tenure, as you know, you can only sign up to 9 on paper otherwise it needs to go to court for stamp duty and all sorts of other things. Do we need to look at some of this in a radical way?

[10:15]

Chief Executive Officer, Citizens Advice Bureau:

I think we need to look at that because if more security could be offered in the private sector then naturally some people would come away from where they are if they had that ability. But then, like you say, it is very difficult where a landlord suddenly decides to sell properties. Landlords do not necessarily want to tie themselves in to huge terms of lease agreements but security of tenure generally has been a big issue for us.

Senator A. Breckon:

So in general terms would you say that if landlords and tenants behave themselves, you have a willing renter and a willing tenant then there is a market if we put regulation across that for security and contractual issues?

Chief Executive Officer, Citizens Advice Bureau:

Yes. Where, in all fairness, tenants live in the property and treat it well and pay their rent but there is also an element of people that do not do that.

The Deputy of St. Peter:

You mentioned in your submissions that an increasing number of clients have come in to talk about their concerns regarding long-term care. Do you think that the White Paper adequately addresses the issue?

Chief Executive Officer, Citizens Advice Bureau:

It links, does it not, with so many other things that are kind of going through at the moment long term. So the fact that to be able to keep people in their homes for longer rather than pull on to the Health Service so it links with the Health Service White Paper changes as well. It is good to see that all of these things are being looked at as a kind of joined up approach and hopefully the threads will come together. I think it is very important that any strategy does have the ability to keep people in their properties if they possibly can.

The Deputy of St. Ouen:

What importance do you place on having a Minister who is directly responsible for housing?

Chief Executive Officer, Citizens Advice Bureau:

I guess at the moment with both housing and population and, in effect, the Minister wearing 2 hats, we do not want to create maybe a new ministry but it probably is a lot for one Minister to have on their shoulders. I think to take it away would probably be so that the Minister could focus on the strategic side rather than get caught in the detail of the housing issues themselves, so I do not see it as a bad thing.

The Deputy of St. Ouen:

Just picking up on what you just said; this proposal is not only to create a Strategic Housing Unit but to give the responsibility to that Unit to the Chief Minister, not the Minister for Housing. The likelihood is that we will not have a Minister directly responsible for the housing needs of the Island. You are comfortable with that idea?

Chief Executive Officer, Citizens Advice Bureau:

In general, yes. I think if the Minister for Housing can focus more on strategy then I think maybe we would not get back into the situation that we find ourselves in at the moment.

The Deputy of St. Ouen:

Although it says, and just to underline the fact, that you talk about the Minister for Housing has quite a number of significant issues to deal with but I would argue that the Chief Minister ...

Chief Executive Officer, Citizens Advice Bureau:

Also, yes.

The Deputy of St. Ouen:

It is really just to understand or get a better feel of why you believe this transfer should happen and will it provide that greater accountability that we are all seeking?

Chief Executive Officer, Citizens Advice Bureau:

Yes, I think it would because there is more ... the Chief Minister would have more ability to delegate that to his Assistant or whatever, so I think there are probably more resources available to deal with the everyday issues than perhaps there is in the Housing Ministry.

Senator A. Breckon:

Just a general question, obviously you are picking up more clients and the States are coming up with various policies about health, housing or whatever else, but how much do you think the census and the latest figures - as you know the actual number was higher than we thought - how much does this affect the things that we are looking at and your input to that?

Chief Executive Officer, Citizens Advice Bureau:

The census ...

Senator A. Breckon:

The figures. We are approaching 100,000, which was a bit of a surprise.

Chief Executive Officer, Citizens Advice Bureau:

Yes, of course it was. I think it makes it even more important really that we have far more residents perhaps than we thought we did. So it makes it even more important that we do something about this.

Senator A. Breckon:

But then are we trying to hit a moving target? We are talking about strategies to deal with things but then we do not have a population of 80,000 anymore so, in your opinion, does this reflect a real situation or are we 5 or 10 years behind everything?

Chief Executive Officer, Citizens Advice Bureau:

It is always going to be a moving target but this is why it is good to have such a long-term plan rather than just a couple of years' plan. This is looking much further into the future.

Senator A. Breckon:

In your opinion, and the experience you have got with the frontline, does it need to be a whole Island strategy rather than a social? I mean do we need to look, for example, is that we feel in the census the profile of the housing, the profile of the population, talking about long-term strategy, or do we need to fit in a 30-year plan that deals as best we are able to guess with that rather than just cherry-pick bits and pieces?

Chief Executive Officer, Citizens Advice Bureau:

I would agree with that. It should certainly be an holistic approach.

Senator A. Breckon:

Of course we talk about somebody being in isolation banging the drum for housing but how do you see that fitting with Planning, with Housing, with the Treasury. I mean somebody can bang the drum but if nobody is listening then there can be ...

Chief Executive Officer, Citizens Advice Bureau:

It has to be joined up, does it not?

Senator A. Breckon:

I mean action, money, are we still going to put the money into subsidising it rather than doing anything? Do you have that fear?

Chief Executive Officer, Citizens Advice Bureau:

Yes, that is always going to be an issue but, like I say, if it is going forwards, if it is more joined up the departments and ministries are talking to each other then hopefully that will be avoided.

Senator A. Breckon:

Do you get many people that come to you and say: "Do I qualify for this?" They are not aware of whatever?

Chief Executive Officer, Citizens Advice Bureau:

You get quite a few questions about if people are going to qualify for income support in itself, that is a very common ... as a single issue that was one of our biggest issues that we dealt with last year so, yes, there are a number of inquiries about: "Do I fulfil the residency conditions for income support or do I fulfil the means testing conditions?" We take clients through that process.

The Deputy of St. Ouen:

You talked about in your submission the possibility that qualifying criteria may be widened. You mentioned earlier about the non-qualified matters, can you just elaborate on what you would like to see in the development of the criteria?

Chief Executive Officer, Citizens Advice Bureau:

Sorry, can you just repeat that?

The Deputy of St. Ouen:

It was under the establishing of the Strategic Housing Unit it speaks about the Bureau welcomes the possibility that qualifying criteria may be widened to include those at present who do not qualify for social housing such as single people, a couple under ...

Chief Executive Officer, Citizens Advice Bureau:

That is right, which we touched on earlier. Allowing people who at the moment do not have dependents or they do not tick any of the boxes that are going to allow them to fit into one of the higher bands so if those people could be included it would certainly make the process much more fair.

The Deputy of St. Ouen:

You are limiting the widening of the criteria to just those 2 groups? There are not other groups that you believe ...

Chief Executive Officer, Citizens Advice Bureau:

Those are the 2 groups that obviously sprung to mind from reading through the White Paper.

The Deputy of St. Ouen:

Which again has been an issue that has been known about for a ...

Chief Executive Officer, Citizens Advice Bureau:

For a long time, yes.

The Deputy of St. Ouen:

Why do you think it has not been addressed?

Chief Executive Officer, Citizens Advice Bureau:

I think because the department I guess sees their responsibility first and foremost to house people that have the most desperate need. That is really what it comes down to, and it is not to say that ... I suppose there must be stock out there which people could live in on their own but they just do not seem to get a fair go at it really, so it does need to be opened up. Why has it been neglected for so long? That is the difficult one to answer really.

Senator A. Breckon:

Just to follow up on that; perhaps we raise the bar too high then because the States rental waiting list has been a political thing as well, so somebody can say: "Well look

I am here, I have done very well. There is only 100 people waiting” and what you have done is you have raised the bar to keep people off the list.

Chief Executive Officer, Citizens Advice Bureau:

Just excluded people, yes.

Senator A. Breckon:

Might we have done that?

Chief Executive Officer, Citizens Advice Bureau:

It appears that is probably what has happened, yes.

The Deputy of St. Mary:

One of the problems I see is it is obviously down to rental and reducing prices and such, and it is all driven by the supply of housing that is out here. If you can saturate the market you are going to get a cheaper price in the end product, are you not?

Chief Executive Officer, Citizens Advice Bureau:

Of course, yes. Supply and demand.

The Deputy of St. Mary:

Really we should address this from the Planning side of things. It is more important for Planning to identify sites and areas that we can build on, provide those houses, and that will stop the prices increasing on the rental.

Chief Executive Officer, Citizens Advice Bureau:

That would be one argument but then the other side of it, of course, is we only have so much space left and how far do we want to encroach on that?

The Deputy of St. Mary:

If we do not that is where we are paying the subsidies on the rents, so it is a knock-on effect, is it not?

Chief Executive Officer, Citizens Advice Bureau:

It is a chicken and an egg, is it not, really?

The Deputy of St. Mary:

If you have more housing than what you need out there then the private sector rents will drop dramatically, so you will not pay the subsidy.

Chief Executive Officer, Citizens Advice Bureau:

No.

The Deputy of St. Peter:

Okay, I think we might be straying. Thank you very much for attending today. I will close the meeting.

[10:26]